

House Amendment 8254

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1 1 Amend Senate File 2290, as amended, passed, and
1 2 reprinted by the Senate, as follows:
1 3 #1. Page 12, by inserting after line 1 the
1 4 following:
1 5 _____. NEW SECTION. 16B.1 SHORT TITLE.
1 6 This Act shall be referred to as the "Fiscal
1 7 Disclosure and Taxpayer Protection Act".
1 8 Sec. _____. NEW SECTION. 16B.2 FINDINGS AND
1 9 INTENT.
1 10 The state finds that, despite an increase in
1 11 spending for the purpose of economic development, the
1 12 real wage levels of the state's average working
1 13 families have suffered years of decline and
1 14 stagnation.
1 15 The state also finds that when workers receive low
1 16 wages, such jobs often impose hidden taxpayer costs
1 17 upon the state's citizens, in the form of medical
1 18 assistance, food stamps, earned income tax credits,
1 19 utility and rent assistance, child care assistance,
1 20 and other forms of assistance provided to the working
1 21 poor and their families.
1 22 Therefore, in order to ensure that the state's
1 23 economic development resources are achieving their
1 24 desired effect of raising living standards for the
1 25 state's working families, the state finds that it is
1 26 necessary to collect and analyze additional
1 27 information and to enact certain safeguards in its
1 28 development assistance.
1 29 Sec. _____. NEW SECTION. 16B.3 DEFINITIONS.
1 30 1. "Corporate parent" means any person or legal
1 31 entity, organization, business, partnership, group, or
1 32 corporation entity recognized by law, or combination
1 33 thereof, that possesses, owns, or controls an interest
1 34 greater than fifty percent of a recipient corporation.
1 35 2. "Date of assistance" means the date upon which
1 36 a granting body transmits the first dollar value of
1 37 development assistance to a recipient corporation.
1 38 3. "Development assistance" means any form of
1 39 public assistance, including tax expenditures, made
1 40 for the purpose of stimulating the economic
1 41 development of a given corporation, industry,
1 42 geographic jurisdiction, or other subset of the
1 43 state's economy, including but not limited to
1 44 assistance in the form of industrial development
1 45 bonds, loans, loan guarantees, revolving loan funds,
1 46 bond bank programs, enterprise zones, tax increment
1 47 financing, property tax exemptions or abatements,
1 48 grants, fee waivers, infrastructure whose principal
1 49 beneficiary is a single business or defined group of
1 50 businesses at the time it is built or improved,
2 1 matching funds, tax abatements, tax credits and tax
2 2 discounts of every kind, including corporate income
2 3 tax, personal income tax, insurance premium tax, sales
2 4 and use taxes, job creation credits and deductions,
2 5 industrial investment credits and deductions, and
2 6 research and development tax credits and deductions.
2 7 4. "Full-time job" means a job at which a new
2 8 employee works for a recipient corporation for at
2 9 least thirty-five hours per week on average.
2 10 5. "Granting body" means any public entity within
2 11 the state, including local governments, regional
2 12 development organizations, state and local public
2 13 corporations, the state government, and any state
2 14 government department or agency, which provides
2 15 development assistance, including but not limited to
2 16 the department of economic development and the Iowa
2 17 finance authority.
2 18 6. "In effect" refers to any calendar year within
2 19 which development assistance is being provided. For
2 20 one-time forms of development assistance such as
2 21 grants, "in effect" refers to a period of not less
2 22 than five years from the date of assistance.
2 23 7. "Part-time job" means a job at which a new
2 24 employee works for a recipient corporation for less

2 25 than thirty=five hours per week on average.
2 26 8. "Property=taxing entity" means an entity in
2 27 this state that levies taxes upon real property,
2 28 including a city, county, school district, township,
2 29 and benefited district.
2 30 9. "Small business" means a corporation whose
2 31 corporate parents, and all subsidiaries thereof,
2 32 employed fewer than an average of twenty full=time
2 33 equivalent employees or which had gross receipts of
2 34 less than one million dollars in all United States
2 35 jurisdictions during the calendar year for which
2 36 disclosure is required.
2 37 10. "Specific project site" means a distinct
2 38 operational unit to which any development assistance
2 39 is applied.
2 40 11. "Temporary job" means a job at which a new
2 41 employee is hired for a specific duration of time or
2 42 season.
2 43 12. "Value of assistance" means the face value of
2 44 any and all forms of development assistance.
2 45 Sec. _____. NEW SECTION. 16B.4 DISCLOSURE OF STATE
2 46 TAX EXPENDITURES.
2 47 1. Effective July 1, 2005, and each succeeding
2 48 year, the department of revenue shall provide a
2 49 detailed tax expenditure budget disclosure report to
2 50 the general assembly, derived from state income tax
3 1 filings or other relevant state filings for the
3 2 previous calendar year. The disclosure report shall
3 3 include, but not be limited to, the following data:
3 4 a. The dollar amount of tax expenditures made by
3 5 the state, in the form of uncollected revenues, for
3 6 each individual tax credit provided by the state,
3 7 including credits for wages of certain qualified
3 8 employees, enterprise zones, tax increment financing,
3 9 grants, matching funds, tax abatements, and tax
3 10 credits and tax discounts of every kind, including
3 11 corporate income, personal income, excise, insurance
3 12 premium, sales and use, job creation, industrial
3 13 investment, and research and development tax credits
3 14 and tax discounts.
3 15 b. For each of the tax expenditures in paragraph
3 16 "a", except as specified in paragraph "c", an
3 17 itemization of the name of each individual corporate
3 18 taxpayer which claimed the credit of any value equal
3 19 to or greater than fifty thousand dollars, and the
3 20 specific dollar amount credited to the corporation's
3 21 tax liability under that credit for that year.
3 22 c. Credits claimed by individual corporations of
3 23 less than fifty thousand dollars shall not be itemized
3 24 as required in paragraph "b". Instead, in reporting
3 25 credits for each tax expenditure, the department of
3 26 revenue shall aggregate all claims of less than fifty
3 27 thousand dollars and report them as a single
3 28 nonspecified group, with the number of claimants
3 29 stated.
3 30 2. All data produced by the department of revenue
3 31 and received by the general assembly in compliance
3 32 with this chapter shall be a public record subject to
3 33 examination and copying under chapter 22,
3 34 notwithstanding sections 422.20, 422.72, and 423.23,
3 35 or any other provision of state law to the contrary
3 36 pertaining to confidentiality of information.
3 37 Sec. _____. NEW SECTION. 16B.5 DISCLOSURE OF
3 38 PROPERTY TAX REDUCTIONS AND ABATEMENTS.
3 39 1. On or before April 1, 2005, the department of
3 40 revenue shall prescribe a standardized disclosure form
3 41 for use by all property=taxing entities. The form
3 42 shall require, but not be limited to, the following
3 43 data:
3 44 a. The name of the property owner.
3 45 b. The address and description of the property.
3 46 c. The date upon which any individual property tax
3 47 reduction or abatement first took effect.
3 48 d. The date upon which any individual property tax
3 49 reduction or abatement is scheduled to expire.
3 50 e. The rate or schedule of each individual
4 1 property tax reduction or abatement for the period
4 2 between the date it took effect and the date it is
4 3 scheduled to expire.
4 4 f. The entity's aggregate foregone revenue for the
4 5 calendar year as a result of each property tax

4 6 reduction or abatement.
4 7 g. A compilation and summary of the entity's total
4 8 foregone revenue as a result of all property tax
4 9 reductions or abatements, including a summary of
4 10 foregone revenue for each kind of reduction or
4 11 abatement.
4 12 h. The respective shares of the entity's property
4 13 tax revenues for the reported year which were
4 14 disbursed to each property=taxing entity.
4 15 2. Effective April 1, 2006, and each subsequent
4 16 year, every property=taxing entity in this state shall
4 17 use this standardized form to report to the department
4 18 of revenue all property tax reductions or abatements
4 19 which were in effect during the previous fiscal year.
4 20 3. The department of revenue shall, by June 1,
4 21 2006, and for each subsequent year, compile and
4 22 publish all data on all of the disclosure forms in
4 23 both written and electronic form.
4 24 4. If a property=taxing entity fails to comply
4 25 with subsection 2, the department of revenue shall
4 26 within ten working days of the April 1 filing deadline
4 27 notify the department of economic development of such
4 28 failure. Upon receipt of such notice, the department
4 29 of economic development shall suspend within three
4 30 working days any current development assistance
4 31 activities under its control in the property=taxing
4 32 entity's jurisdiction, and shall be prohibited from
4 33 proceeding with any current or future development
4 34 assistance in the noncompliant jurisdiction unless and
4 35 until the department of economic development receives
4 36 proof from the department of revenue that the
4 37 property=taxing entity has complied with subsection 2.
4 38 5. If any of the state's various agencies fail to
4 39 enforce subsection 3 or 4, any person who paid
4 40 personal income taxes or sales and use taxes to the
4 41 state in the calendar year prior to the year in
4 42 dispute shall have standing to sue to compel the state
4 43 to enforce the provisions of this chapter. The court
4 44 shall award such taxpayer plaintiff who prevails
4 45 reasonable attorney fees and costs in any such
4 46 enforcement action.
4 47 6. All data generated in compliance with
4 48 subsections 1 and 2 shall be fully subject to
4 49 examination and copying under chapter 22.
4 50 Sec. _____. NEW SECTION. 16B.6 STANDARDIZED
5 1 APPLICATIONS FOR DEVELOPMENT ASSISTANCE.
5 2 1. On or before April 1, 2005, the department of
5 3 economic development shall prescribe a standardized
5 4 application form for development assistance for use by
5 5 all granting bodies. The form shall include, but not
5 6 be limited to, the following data:
5 7 a. An application tracking number which is
5 8 specific to both the granting agency and to each
5 9 application.
5 10 b. The name, street and mailing addresses,
5 11 telephone number, and chief officer of the granting
5 12 body.
5 13 c. The name, street and mailing addresses,
5 14 telephone number, and chief officer of the corporate
5 15 parent of the applicant corporation.
5 16 d. The name, street and mailing addresses,
5 17 telephone number, standard industrial classification
5 18 number, and chief officer of the applicant corporation
5 19 at the specific project site for which development
5 20 assistance is sought.
5 21 e. The applicant corporation's total number of
5 22 employees at the specific project site on the date of
5 23 the application, broken down by full=time, part=time,
5 24 and temporary employees.
5 25 f. The total number of employees in this state of
5 26 the applicant corporation's corporate parent, and all
5 27 subsidiaries thereof, as of December 31 of the year
5 28 preceding the date of application, broken down by
5 29 full=time, part=time, and temporary employees.
5 30 g. The kind or kinds of development assistance and
5 31 value or values of development assistance being
5 32 applied for.
5 33 h. The number of new jobs to be created by the
5 34 development assistance, broken down by full=time,
5 35 part=time, and temporary employees.
5 36 i. The average hourly wage to be paid to the new

5 37 employees within one year of hiring, broken down by
5 38 number of full-time, part-time, and temporary
5 39 employees, and specified by wage groupings as follows:
5 40 six dollars or less an hour, six dollars and one cent
5 41 to seven dollars an hour, seven dollars and one cent
5 42 to eight dollars an hour, eight dollars and one cent
5 43 to nine dollars an hour, nine dollars and one cent to
5 44 ten dollars an hour, ten dollars and one cent to
5 45 eleven dollars an hour, eleven dollars and one cent to
5 46 twelve dollars an hour, twelve dollars and one cent to
5 47 thirteen dollars an hour, thirteen dollars and one
5 48 cent to fourteen dollars an hour, and fourteen dollars
5 49 and one cent or more per hour.

5 50 j. For applicant project sites located in a
6 1 metropolitan statistical area county, as defined by
6 2 the United States census bureau, the average hourly
6 3 wage paid nonmanagerial employees in the applicant's
6 4 industry in this state, as most recently provided by
6 5 the United States bureau of labor statistics to the
6 6 standard industrial classification number
6 7 specification, as available.

6 8 k. For applicant project sites located outside of
6 9 metropolitan statistical area counties, the average
6 10 weekly wage paid in the county, as most recently
6 11 reported by the United States department of commerce
6 12 in its county business patterns reports.

6 13 l. The nature of employer-paid health care
6 14 coverage to be provided within ninety days of hiring
6 15 to the employees filling the new jobs, including any
6 16 costs to be borne by the new employees.

6 17 m. A list of all other forms of development
6 18 assistance the applicant corporation is seeking for
6 19 the specific project site, and the name or names of
6 20 the granting body or bodies from which that
6 21 development assistance is being sought.

6 22 n. A narrative, if necessary, describing how the
6 23 applicant corporation's use of the development
6 24 assistance may reduce employment at any site in any
6 25 United States jurisdiction controlled by the applicant
6 26 corporation or its corporate parent, including but not
6 27 limited to events such as automation, consolidation,
6 28 merger, acquisition, product line movement, business
6 29 activity movement, or restructuring by either the
6 30 applicant corporation or its corporate parent.

6 31 o. Individual certifications by the chief officers
6 32 of both the applicant corporation and the granting
6 33 body as to the accuracy of the application, under
6 34 penalty of perjury.

6 35 2. Beginning April 1, 2006, every granting body in
6 36 this state, jointly with applicant corporations, shall
6 37 complete the standardized application form as
6 38 prescribed in subsection 1 each time a corporation
6 39 applies for development assistance.

6 40 Sec. ____ NEW SECTION. 16B.7 DEVELOPMENT
6 41 ASSISTANCE DISCLOSURE.

6 42 1. Beginning February 1, 2007, and for each
6 43 subsequent year, every granting body in the state
6 44 shall submit to the department of economic development
6 45 copies of all the standardized application forms for
6 46 development assistance, as specified in section 16B.4,
6 47 that the granting body has received in the previous
6 48 calendar year. The granting body shall designate on
6 49 each form whether the development assistance is
6 50 pending, was approved, or was not approved, and for
7 1 those applications that were approved, the date of
7 2 assistance if the date of assistance occurred in the
7 3 previous calendar year.

7 4 2. For those applications that were approved but
7 5 for which the date of assistance did not occur in the
7 6 same calendar year, each granting body shall report in
7 7 its next subsequent February 1 annual report to the
7 8 department of economic development the relevant dates
7 9 of assistance.

7 10 3. For each development assistance application
7 11 that was approved, and for which the date of
7 12 assistance has occurred in a reporting year, each
7 13 granting agency shall submit to the department of
7 14 economic development a progress report, which shall
7 15 include, but not be limited to, the following data:

7 16 a. The recipient corporation's tracking number.

7 17 b. The name, street and mailing addresses,

7 18 telephone number, and chief officer of the granting
7 19 body.

7 20 c. The name, street and mailing addresses,
7 21 telephone number, standard industrial classification
7 22 number, and chief officer of the recipient corporation
7 23 at the specific project site for which the development
7 24 assistance was approved.

7 25 d. The kind of development assistance and value of
7 26 assistance that was approved.

7 27 e. The recipient corporation's total level of
7 28 employment at the specific project site on the date of
7 29 the application and the recipient corporation's total
7 30 level of employment at the specific project site on
7 31 the date of the report, broken down by full-time,
7 32 part-time, and temporary employees, and a computation
7 33 of the gain or loss in each category.

7 34 f. The number of new jobs the recipient
7 35 corporation stated in its application would be created
7 36 by the development assistance, broken down by full-
7 37 time, part-time, and temporary.

7 38 g. The total level of employment in this state of
7 39 the recipient corporation's corporate parent, and all
7 40 subsidiaries thereof, as of December 31 of the year
7 41 preceding the date of application and the total level
7 42 of employment in the state of the recipient
7 43 corporation's corporate parent, and all subsidiaries
7 44 thereof, as of each December 31 up through the
7 45 reporting year, broken down by full-time, part-time,
7 46 and temporary, and a statement of the gain or loss in
7 47 each category from the earliest reported year to the
7 48 most recent.

7 49 h. The average hourly wage paid as of December 31
7 50 of the reporting year to employees filling the new
8 1 jobs at the specific project site, broken down by
8 2 full-time, part-time, and temporary employees.

8 3 i. The nature of employer-paid health care
8 4 coverage being provided within ninety days of hiring
8 5 to the employees filling the new jobs, including any
8 6 costs being borne by the new employees.

8 7 j. A statement describing how the recipient
8 8 corporation's use of the development assistance during
8 9 the reporting year has reduced employment at any site
8 10 in any United States jurisdiction controlled by the
8 11 recipient corporation or its corporate parent,
8 12 including but not limited to events such as
8 13 automation, consolidation, merger, acquisition,
8 14 product line movement, business activity movement, or
8 15 restructuring by either the recipient corporation or
8 16 its corporate parent.

8 17 k. Notarized individual certifications signed by
8 18 the chief officers of both the recipient corporation
8 19 and the granting body as to the accuracy of the
8 20 progress report.

8 21 4. The granting body and the department of
8 22 economic development shall have full investigative
8 23 authority to verify the recipient corporation's
8 24 progress report data, including but not limited to
8 25 inspection of the specific project site and analysis
8 26 of tax and payroll records.

8 27 5. By June 1, 2007, and by June 1 of each
8 28 subsequent year, the department of economic
8 29 development shall compile and publish all data in all
8 30 of the development assistance progress reports in both
8 31 written and electronic form.

8 32 6. Every aspect of all development assistance
8 33 applications, progress reports, and the department of
8 34 economic development's compilation of applications and
8 35 progress reports shall be fully subject to examination
8 36 and copying under chapter 22.

8 37 7. If a granting body fails to comply with
8 38 subsections 1 through 3, or if a granting body or
8 39 corporation fails to comply with subsection 3,
8 40 paragraph "k", the department of economic development
8 41 shall, within ten business days of the February 1
8 42 filing deadline, suspend any current development
8 43 assistance activities under its control in the
8 44 granting body's jurisdiction, and shall be prohibited
8 45 from proceeding with any current or future development
8 46 assistance activities under its control in the
8 47 granting body's jurisdiction, unless and until the
8 48 department of economic development receives proof that

8 49 the negligent granting body or corporation has
8 50 complied with subsections 1 through 3.>
9 1 [#2.](#) Title page, line 1, by striking the words
9 2 and inserting the following: <,
9 3 including>.
9 4 [#3.](#) Title page, line 2, by inserting after the
9 5 words the following:
9 6 .
9 7 [#4.](#) By renumbering as necessary.

9 8
9 9
9 10 _____
9 11 JOCHUM of Dubuque

9 12
9 13
9 14 _____
9 15 WINCKLER of Scott

9 16
9 17
9 18 _____
9 19 LENSING of Johnson

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9 22 _____
9 23 SHOULTZ of Black Hawk

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